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John B. Tobola jtobola@freeportlng.com
Tel (713) 333-4241 Fax (713) 980-2903

March 2, 2016

BY EMAIL TO: fergas@hq.doe.gov

Ms. Amy Sweeny
U.S. Department of Energy (FE-34)
Office of Oil and Gas Global Security and Supply
Office of Fossil Energy
Forrestal Building, Room 3E-042
1000 Independence Avenue, SW
Washington, DC 20585

Re: Notice and Statement of Change in Control (CIC)
Docket Nos. 10-160-LNG, 10-161-LNG, 11-161-LNG and 12-06-LNG
Freeport LNG Expansion, L.P.; FLNG Liquefaction, LLC; FLNG Liquefaction 2,
LLC; and FLNG Liquefaction 3, LLC

Dear Ms. Sweeny:

Freeport LNG Expansion, L.P., FLNG Liquefaction, LLC, FLNG Liquefaction 2, LLC and FLNG Liquefaction 3, LLC hereby file the attached Notice and Statement of Change in Control ("Notice") in the above-referenced dockets. This Notice is provided pursuant to the Department of Energy / Office of Fossil Energy's Procedures for Changes in Control Affecting Applications and Authorizations to Import or Export Natural Gas.¹

Please contact the undersigned if you should have any questions regarding the enclosed Statement of Change in Control.

Respectfully Submitted,

John B. Tobola
Senior Vice President & General Counsel
Freeport LNG Expansion, L.P.

¹ U.S. Dep't of Energy, Procedures for Changes in Control Affecting Applications and Authorizations to Import or Export Natural Gas, 79 Fed. Reg. 65,541 (Nov. 5, 2014).

March 2, 2016

UNITED STATES OF AMERICA
BEFORE THE DEPARTMENT OF ENERGY,
OFFICE OF FOSSIL ENERGY

NOTICE AND STATEMENT OF CHANGE IN CONTROL

PURSUANT TO “PROCEDURES FOR CHANGES IN CONTROL
AFFECTING APPLICATIONS AND AUTHORIZATIONS TO IMPORT OR
EXPORT NATURAL GAS,” 79 FED. REG. 65541-65542 (Nov. 5, 2014).

REFERENCE: DOE/FE ORDER NOS. 2913, 2913-A, 3066, 3066-A, 3282, 3282-A, 3282-B,
3282-C, 3357, 3357-A, 3357-B, AND 3357-C, AND DOE/FE DOCKET NOS. 10-160-LNG, 10-
161-LNG, 11-161-LNG AND 12-06-LNG

BY: FREEPORT LNG EXPANSION, L.P., FLNG LIQUEFACTION, LLC, FLNG
LIQUEFACTION 2, LLC AND FLNG LIQUEFACTION 3, LLC

INTRODUCTION

Pursuant to the DOE/FE Notice of Procedures, “Procedures for Changes in Control Affecting Applications and Authorizations to Import or Export Natural Gas,” 79 Fed. Reg. 65541-65542 (Nov. 5, 2014), Freeport LNG Expansion, L.P. (“Freeport Expansion”), FLNG Liquefaction, LLC (“FLIQ1”), FLNG Liquefaction 2, LLC (“FLIQ2”) and FLNG Liquefaction 3, LLC (“FLIQ3” and collectively with Freeport Expansion, FLIQ1 and FLIQ2, “FLEX”) respectfully provide this “Notice” of anticipated changes in control of the upstream ownership of FLIQ1.

1. Description of the Export Authorizations

FLEX has been granted four (4) authorizations by DOE/FE for long-term export of domestically sourced liquefied natural gas (“LNG”) from the Freeport LNG Terminal at Quintana Island, Texas. Two of the authorizations, in DOE/FE Docket Nos. 10-60-LNG and 12-06-LNG, are for long-term LNG exports to countries with which the United States has a Free Trade Agreement (FTA) providing for national treatment for trade in natural gas. The two FTA authorizations were approved by DOE/FE in DOE/FE Order Nos. 2913 and 3066. DOE/FE subsequently amended the foregoing FTA orders in Order Nos. 2913-A and 3066-A. The other two authorizations, in DOE/FE Docket Nos. 10-161-LNG and 11-161-LNG, are for long-term LNG exports to countries with which the United States does not have an FTA requiring the national treatment of natural gas (non-FTA). The two non-FTA applications were conditionally granted on May 17, 2013, in DOE/FE Order No. 3282, and on November 15, 2013 in DOE/FE Order No. 3357. DOE/FE subsequently amended the two non-FTA authorizations in DOE/FE Order Nos. 3282-A, 3282-B and 3357-A. DOE/FE issued final orders granting the non-FTA

authorizations on November 14, 2014, in Order Nos. 3282-C and Order No. 3357-B. DOE/FE issued Order No. 3357-C denying request for rehearing on December 4, 2015.

On July 3, 2014, FLEX filed a Request for Approval of Change in Control with regard to indirect changes in control of the upstream ownership of FLIQ1 and FLIQ2. This was assigned to FE Docket No. 14-005-CIC. That request was granted on September 23, 2014 in Order No. 3495.

As described in Order No. 3495, the FLEX export facilities will initially include three liquefaction trains. FLIQ1 will own the initial liquefaction train ("Train 1") and has entered into a long-term liquefaction tolling agreement ("LTA") with each of Osaka Gas Trading & Export LLC (a U.S. subsidiary of Osaka Gas Co., Ltd. ("Osaka Gas")) and Chubu US Trading LLC (a U.S. subsidiary of Chubu Electric Power Co., Inc. ("Chubu")) that will commence upon achieving commercial operation of Train 1.

Osaka Gas, through its wholly-owned U.S. subsidiary Osaka Gas Liquefaction USA Corporation ("Osaka Gas Member"), and Chubu, through its wholly-owned U.S. subsidiary Chubu Electric Power Company Freeport, Inc. ("Chubu Member"), each hold a 25% equity ownership interest in FLIQ1 Holdings, LLC ("Holdings"), which in turn holds a direct 100% equity ownership interest in FLIQ1. Chubu Member is a Delaware corporation. The remaining ownership interest in Holdings is held by Freeport Expansion. Foreign ownership in U.S. LNG export facilities is not inconsistent with the public interest. As DOE/FE has previously determined, while foreign direct investment "may be used to finance purchases of natural gas for export as LNG and the construction of LNG liquefaction and export facilities, we are not persuaded the inflow of foreign capital for these purposes would be inconsistent with the public interest."¹

2. Description of the Transaction

In February 2015, Chubu entered into a joint venture agreement (the "JERA Joint Venture Agreement") with Tokyo Electric Power Company, Incorporated ("TEPCO"), a company organized and existing under the laws of Japan, to form JERA Co., Inc. ("JERA"), a 50/50 joint venture between Tokyo Electric Power Fuel & Thermal Power Generation Business Split Preparation Company, Inc. ("TEPCO Fuel & Power"), a wholly owned subsidiary of TEPCO, and Chubu, as a comprehensive alliance encompassing the entire supply chain, from upstream investment and fuel procurement through power generation.

The JERA Joint Venture Agreement contemplates that Chubu and TEPCO will transfer to JERA their respective overseas energy infrastructure businesses (among other businesses), including, in the case of Chubu, Chubu's interest in Chubu Member. As a result of the transfer of Chubu's interest in Chubu Member (the "Proposed Transaction"), JERA will hold 100% of Chubu Member (and thus a 25% interest in Holdings). Given that each of Chubu and TEPCO

¹ Jordan Cove Energy Project, L.P. Order conditionally Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from Jordan Cove LNG Terminal in Coos Bay, Oregon to Non-Free Trade Nations, DOE/FE Order No. 3413 at p. 120.

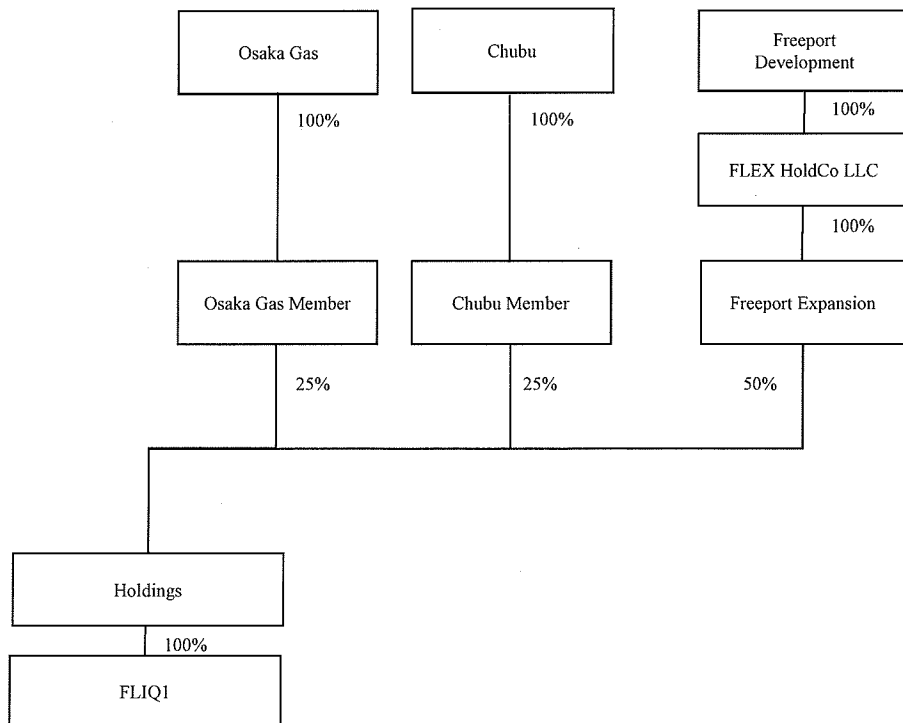
Fuel & Power hold 50% of JERA, upon consummation of the Proposed Transaction, each of Chubu and TEPCO Fuel & Power will have an indirect 12.5% interest in Holdings. Each of Chubu and TEPCO Fuel & Power will have the right to appoint three members of the JERA board of directors and thus each of Chubu and TEPCO Fuel & Power will control JERA.

TEPCO is a publicly traded company. The Nuclear Damage Compensation and Decommissioning Facilitation Corporation (“NDF”), an entity established by the Japanese government’s initiatives under the Nuclear Damage Compensation and Decommissioning Facilitation Corporate Act, has a 54.69% interest in TEPCO (no entity other than NDF holds greater than 5% interest in TEPCO). NDF is 50.1% owned by the Government of Japan. The other shareholders of NDF are the 12 nuclear facility operators in Japan (which include TEPCO and Chubu).

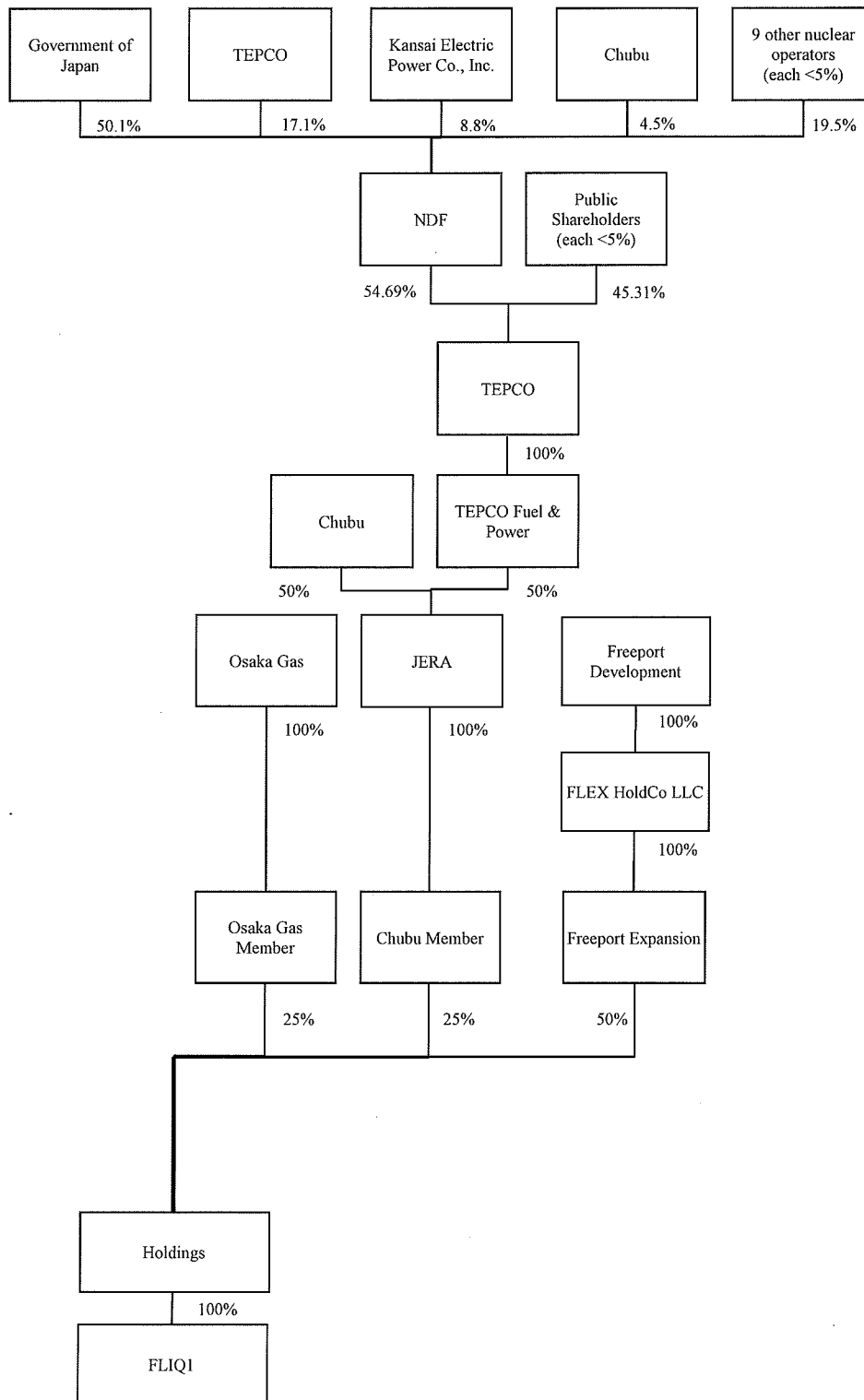
Following the Proposed Transaction, Chubu Member will be ultimately be controlled by both Chubu and NDF. Chubu Member has the right to appoint one member of the board of managers of Holdings. In addition, with limited exceptions, all decisions of Holdings and FLIQ1 are made by either the unanimous consent of the members of Holdings or the board of managers of Holdings. The transactions contemplated by the JERA Joint Venture Agreement, including the Proposed Transaction, are scheduled to be completed by July 1, 2016.

3. Description of Control Structure of FLIQ1

The following structure chart illustrates the current ownership and control of FLIQ1:



The following structure chart illustrates the ownership and control structure of FLIQ1 upon closing of the Proposed Transaction:



4. Freeport LNG Terminal Operations and Export Administration

Operation and maintenance of the Freeport LNG facilities (both regasification and liquefaction) will continue to be under the control of the existing owner/operator of the facility, Freeport LNG Development, L.P. ("Freeport Development") through various contractual arrangements with and among FLIQ1, FLIQ2 and FLIQ3. Freeport Development is the ultimate 100% parent of Freeport Expansion. No change in control is being contemplated at this time with respect to Freeport Development, Freeport Expansion, FLIQ2 or FLIQ3. FLEX will remain the single point of contact with DOE/FE with respect to reporting and administration under the FTA and non-FTA export authorizations for the FLEX LNG Export Project.

CONCLUSION

We will promptly notify you when the Proposed Transaction is completed. At that point, please amend, as appropriate, your records and relevant documents, including the DOE/FE Orders in both of FLEX's two FTA and two non-FTA dockets as noted above.

Thank you for your assistance.

Respectfully submitted,



John B. Tobola
Senior Vice President & General Counsel
Freeport LNG Expansion, L.P.


On behalf of:
FREEPORT LNG EXPANSION, L.P.
FLNG LIQUEFACTION, LLC
FLNG LIQUEFACTION 2, LLC
FLNG LIQUEFACTION 3, LLC

VERIFICATION

State of Texas

County of Harris

I, John B. Tobola, being duly sworn, on oath do hereby affirm that I am a duly authorized representative of Freeport LNG Expansion, L.P., FLNG Liquefaction LLC, FLNG Liquefaction 2, LLC and FLNG Liquefaction 3, LLC; that I am familiar with the contents of this Notice and Statement of Change in Control; and that the matters set forth therein are true and correct to the best of my knowledge, information and belief.



John B. Tobola

Sworn to and subscribed before me, a Notary Public in and for the State of Texas, this 2nd day of March, 2016.



Name: CAROL BINHMINH BROOKS
Notary Public 12512055-4



CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon the parties listed below in Docket Nos. 10-160-LNG, 10-161-LNG, 11-161-LNG and 12-06-LNG, for inclusion in in the above reference proceedings.

David Schryver
Executive V.P.
American Public Gas Association
Suite C-4
201 Massachusetts Ave., NE
Washington, DC 20002

William T. Miller
Miller, Balis & O'Neil, P.C.
12th Floor
1015 Fifteenth Street, NW
Washington, DC 20005

Nathan Matthews
Associate Attorney
Sierra Club Environmental Law Program
85 2nd Street, Second Floor
San Francisco, CA 94105

Kathleen Krust
Paralegal
Sierra Club Environmental Law Program
85 2nd Street, Second Floor
San Francisco, CA 94105

Joseph M. Santarella, Jr.
Santarella & Eckert, LLC
7050 Puma Trail
Littleton, CO 80125

Susan Eckert
Gulf Coast Environmental Labor Coalition
7050 Puma Trail
Littleton, CO 80125

Dated at Houston, Texas this 2nd day of March, 2016.

By: 

John B. Tobola
Senior VP & General Counsel
Freeport LNG Expansion, L.P.
333 Clay St., Suite 5050
Houston, TX 77002